STATEMENT FOR DIRECTOR OF CRITICAL INTELLIGENCE

- 1. As indicated previously to this Committee, I have directed a thorough examination of the organization and other management processes in the Agency. In addition, we have recently engaged in a painful exercise similar to a reduction in force in other agencies through which we separated, or will separate, approximately 150 people who are surplus to the specialized requirements of the Agency.
- Inrough both of these steps, I have looked closely at the Agency's personnel and its personnel program. On the whole, I have found the competence and dedication of the people in CIA to be outstending and the personnel program to be responsive to the Agency's needs. I have noticed one important deficiency, however, which I wish to bring to your attention and seek your advice. The simple fact is that foreign intelligence operations require a proponderance of relatively young people and we argently need a more flexible retirement system to permit some of our officers to retire earlier than they can under civil service retirement. After several years of study, we have concluded that a retirement system similar to the Foreign Service would meet this need. Obviously, such a system would not be needed for all employees and criteria are being developed to identify the employees or classes of employees to whom it would apply.
- 3. The legislation required is simple and short. It would comborize the Director of Central Intelligence to establish a redirement system corresponding to that of the Foreign Service. Our
 proposal has been discussed with the Bureau of the Budget and they
 have agreed in principle that it would be appropriate for the Agency. I believe we could secure their formal approval in ten days to
 two weeks. We are prepared to furnish you at any time detailed information concerning this legislation and the reasons we believe it
 is essential. However, being aware of the lateness of the hour of
 this nession of the Congress, I would like to ask you now if there
 is any possibility in your view that this type of legislation could
 necesive favorable action in the time remaining in this session.

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25 Jul

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- exemination of the organization and other management processes in the Agency. In addition, we have recently engaged in a painful exercise similar to a reduction in force in other agencies through which we separated, or will separate, approximately 150 people who are surplus to the specialized requirements of the Agency.
- 2. Through both of these steps. I have looked closely at the Agency's personnel and its personnel program. On the whole, I have found the competence and dedication of the people in CIA to be outstanding and the personnel program to be responsive to the Agency's needs. I have noticed one important deficiency, however, which I wish to bring to your attention and seek your advice. The simple fact is that foreign intelligence operations require a preponderance of relatively young people and we argently need a more flexible retirement system to permit some of our efficient to retire earlier than they can under civil service retirement. After several years of study, we have concluded that a retirement system similar to the Foreign Service would meet this need. Obviously, such a system would not be needed for all employees and criteria are being developed to identify the employees or classes of employees to whom it would apply.
- 3. The legislation required is simple and short. It would authorize the Director of Centrel Intelligence to establish a retirement system corresponding to that of the Foreign Service. Our proposal has been discussed with the Burgan of the Budget and they have agreed in principle that it would be appropriate for the Agency. I believe we could secure their formal approval in ten days to two weeks. We are prepared to furnish you at any time detailed information concerning this legislation and the reasons we believe it is essential. However, being aware of the lateness of the hour of this session of the Congress, I would like to ask you now if there is any possibility in your view that this type of legislation could receive favorable action in the time remaining in this session.

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27 Jul

STATISTIC PER STREET A OF CONTRAL INVILLIDENCE

- 3. Is indicated previously to this Committee, I have directed a character executation of the organization and other commitment processes in the Apency. In addition, we have recently engaged in a poinful exercise similar to what would be called a reduction in force in other agandless through which we expended or will expend approximately 150 people who are surplus to the specialised requirements of the Apency.
- Invested both of these exactantions, I have looked closely at the Agency's personnel and its personnel progres. On the whole, I have the despetance and dedication of the people in CIA to be outstanding and I believe that our personnel progres is responsive to the Agency's mode. I have detected one elgaliforms deficiency, however, which stems that the simple fact that foreign intelligence operations require a preparations of relatively young people. There is an urgent need for a move flexible retirement system which would persit earlier retirement of some of our officers than is possible under the civil service system. They several years of study, we have concluded that a system of retirement static station to that systemic to the Foreign Service would ensure the family a needs. This type of retirement would be systemically to designated could years of the integer, and they have agreed in principle that such legislation would be appropriate for this Agency.
- Deing neare of the lateness of the hour of this session of the Congress, I wish to bring this matter to your attention and seek your newless. The legislation itself would be simple and about. It would arthorize the Director of Central Intelligence to establish a retirement system appropriate to that of the Foreign Service. I believe we can secure theretail approval from the Eureen of the Budget within ten days to two weeks. Nowever, I would like to know if there is any possibility in your view that this type of legislation could receive favorable action is the time resulting in this session. We would, of course, be prepared at any time to furnish this session. We would, of course, be prepared at any time to furnish that its ensential.

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